



A Report to the Legislature

Washington Telephone Assistance Program

as required by
RCW 80.36.475

December 2002

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Washington Telephone Assistance Program

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Washington Telephone Assistance Program Report to the Legislature

Executive Summary

RCW 80.36.475 requires the Department of Social and Health Services to report annually to the Legislature on the status of the Washington Telephone Assistance Program. The report is to include information on: (1) the number of participants by qualifying social service programs and the type of benefits participants receive; (2) a description of the geographical distribution of participants; (3) the program's annual revenue and expenditures; and (4) any recommendations for legislative action.

In authorizing the Washington Telephone Assistance Program in 1987, the Legislature found that universal telephone service is an important policy goal of the state, and that recent changes in the telecommunications industry raise concerns about the ability of low-income persons to continue to afford access to local exchange telephone service. The Legislature also found it is in the public interest to take steps to mitigate the effects of these changes on low-income persons.

The Washington Telephone Assistance Program (WTAP) is designed to help low income residents in this state afford a telephone. The program provides a reduced monthly charge for basic telephone service, a 50% discount on connection fees, and a waiver of deposit for local service.

During its 15th year of operation, the program continued to provide much needed and widely used assistance to low-income individuals and families across the state — helping link over 119,000 households with affordable telephone service.

The Department of Social and Health Services (DSHS) and the Washington Utilities and Transportation Commission (WUTC) jointly administer the program. WUTC is responsible for rate setting and DSHS provides overall program administration and WTAP fund management.

Key Program Facts

- Eligibility for WTAP is based on an adult's receipt of ongoing cash, food, or medical assistance through a department administered program. In addition to receiving qualifying assistance, individuals must also apply for the program through their local telephone company; have telephone service billed in their name; and subscribe to the lowest available flat rate service.
- WTAP households are responsible for paying the first \$4 plus any applicable taxes of their local telephone bill each month. Any remaining balance is paid by WTAP and the federal Universal Service Administration Company (USAC).

- WTAP recipients can subscribe for telephone service extras (e.g., caller identification or voice mail), but the program only pays for local service.
- The program is funded exclusively by a monthly excise tax of 13 cents on the 3.5 million switched telephone lines. The tax does not apply to wireless lines.
- Fifty-five (57) telephone companies reported WTAP excise tax collections, and 24 companies provided WTAP services in State Fiscal Year 2002 (SFY 02).
- Initially authorized for five years in 1987, the program has been re-authorized twice and is scheduled to run through June 30, 2003.

WTAP Highlights for Year 15 of Program Operation (SFY 2002)

- More households took advantage of WTAP benefits in recent years. Participation increased 4% in SFY 00 and 7% in SFY 01. In SFY 02, participation increased 11% over the previous year. Program benefits were provided to a total of 119,238 households during the year. Of those, 118,610 households received a reduced monthly charge for basic telephone service; 20,033 received help with connection fees; and local service deposits were forfeited in 52 cases.
- For the program year (July 1 through June 30), WTAP and the federal Lifeline program provided an average of \$13 toward the cost of a typical \$17 bill for local service.
- Starting in July 1999, the amount that a WTAP household is required to pay towards its monthly local telephone service (referred to as the client threshold) decreased from \$7.50 to \$4.00. With this reduction, spending on monthly program benefits doubled to \$4.44 million in SFY 00, increased to \$5.09 million in SFY 01, and is now up to \$5.44 million in SFY 02.
- Total program costs for SFY 02 was \$6.42 million while revenue from excise tax receipts for the same period totaled \$5.49 million.
- Expenditures for administration totaled \$621,362 or 10% of overall program expenditures. (DSHS administrative costs represent 8%; telephone company administrative costs represent 2%). Computer support for the program accounted for more than 1/3 of the department's portion of the administrative costs.
- The fund balance was \$6,092,968 for the year. This balance has been adjusted to \$5,852,710.76 to account for SFY 02 expenditures and revenue processed between July 1 and September 30, 2002.
- With the July 1999 client threshold reduction, universal service changes and continued program outreach, program expenditures are expected to exceed revenues in the coming years, while the fund balance will continue declining.

Program Overview

Acting on authorizing legislation, the Department of Social and Health Services (DSHS) and the Washington Utilities and Transportation Commission (WUTC) implemented the Washington Telephone Assistance Program (WTAP) on August 1, 1987. Initially scheduled to end on June 30, 1993, the program has been re-authorized twice by the Washington State Legislature for additional five-year periods. The program is currently scheduled to end June 30, 2003.

For this program year, WTAP helped link more than 119,000 households with affordable telephone service.

Program Revenue and Expenditures – SFY 02

Total operating costs (expenditures)	\$ 6,420,075.53
Benefit Costs	
▪ Forfeit of deposit	\$ 736.00
▪ Connection discount	\$ 352,638.84
▪ Monthly rate discount	\$ 5,445,338.84
Administrative costs	
▪ Telephone companies	\$ 114,915.98
▪ DSHS	\$ 506,445.87
Total Revenue (excise tax receipts)	\$ 5,493,316.62
Fund Balance Decrease	\$ (926,758.91)

Benefits

Eligible WTAP households can receive the following program benefits:

- A reduced monthly rate for local telephone service.
- A 50% discount on connection fees (limited to once a year).
- A waiver of deposit for local service (limited to once a year).

Participating WTAP households pay the first \$4 of their monthly local phone service bill. The federal Universal Service Administration Corporation (USAC) provides up to \$7.85, with the remainder subsidized by WTAP.

Connection fees are covered by WTAP and the federal Link Up Program. WTAP pays half the connection fee and Link Up pays the other half, up to \$30. The WTAP payment is limited to once per year, but Link Up support is available with each line connection.

Determining Eligibility for WTAP

Eligible recipients are sent a letter regarding WTAP services when their public assistance benefits are approved. To apply for WTAP, clients are directed to contact their local telephone company by phone or in person. A toll-free number for clients is listed on the notice for obtaining further information. Telephone company representatives are directed to call WTAP using a dedicated toll-free line to confirm client eligibility.

WTAP is currently available to recipients of the following ongoing cash, food, or medical assistance programs administered by the Department:

- Temporary Assistance for Needy Families (TANF)
- Community Options Program Entry System (COPES)
- State Family Assistance (SFA)
- Medical Assistance (specific programs)
- Food Assistance
- General Assistance (GAU and GAX)
- Refugee Assistance
- Supplemental Security Income (SSI)
- Medicaid Personal Care
- Chore Services
- Medicare Cost-Sharing Programs and the Family Planning Extension Program.

WTAP recipients must also:

- Be an adult, or, if under 18, be the payee and head of household;
- Apply for the program through the telephone company;
- Have local exchange services billed in their name, and
- Subscribe to the lowest available flat rate service – which is almost always single party service. Single party service qualifies as the lowest available flat rate for a person who is 60 years of age or older or who receives medical assistance.

Benefits for WTAP begin for eligible individuals on the date of application to the telephone company and are not retroactive. Once approved, benefits continue through the end of the program year (ending June 30). At the end of the program year, WTAP services are automatically continued for households still participating in one or more qualifying assistance programs.

Funding and Administration

The program is funded exclusively by a 13-cent monthly excise tax on all switched telephone lines in the state. The tax does not apply to wireless lines.

The WUTC sets the excise tax, (limited by statute to no more than 14 cents); and the client threshold at the request of and as justified by DSHS. DSHS is responsible for administering the program, notifying potential participants of eligibility, and managing the WTAP funds. Both DSHS and WUTC are responsible for promulgating rules.

Outreach

An informational letter and brochure about WTAP is sent to each household newly eligible for the program. Information about the program is printed in all telephone company directories. Multilingual brochures and posters are regularly mailed to DSHS community services offices, community action agencies, housing authorities, tribes, and other community-based organizations. They are also sent upon request to individuals and businesses. WTAP information is also included on the DSHS Economic Services Administration's website at <http://www.wa.gov/dshs/esarules/wtap.htm>.

Special mailings are also sent out throughout the year targeting potential WTAP-eligible clients who have not yet taken advantage of the program.

Telephone Invoices and Excise Tax Collection

Telephone companies invoice DSHS for payments toward three categories of service: reduction of connection fee, reimbursement for waiver of deposit, and monthly rate discount. They may also invoice DSHS for administrative costs attributable to the WTAP program. Telephone companies are asked to remit invoices on a monthly basis.

The telephone companies collect the WTAP excise tax with local telephone service billings, and submit the funds to DSHS/Office of Financial Recovery. Telephone companies are asked to remit excise taxes on a monthly basis.

Program History

In August 1987, the Department of Social and Health Services and the Washington Utilities and Transportation Commission implemented the Washington Telephone Assistance Program. At the outset of the program, the surcharge of 12 cents per month per non-WTAP telephone line was established, and the client threshold level was set at \$10 per month.

Participating households were responsible for paying the client threshold amount and WTAP and the federal National Exchange Carrier Association (NECA) paid any balance for local service. NECA matched the WTAP payment up to \$3.50; any balance over \$7 was then paid by WTAP.

Key Program Changes

Years 1 through 5

With surcharge collections far exceeding program expenditures, the following steps were taken to reduce the fund surplus:

- In May 1989, the amount of the surcharge was reduced to 5 cents per month per non-WTAP telephone line.
- During the 1990 legislative session, the statute was amended to expand the number of qualifying programs by adding General Assistance (GAU) and Medical Assistance programs.
- On July 1, 1990, the client threshold level for monthly participation was reduced from \$10 to \$8.
- DSHS increased awareness of the program through a mass mailing of a multi-language brochure to all eligible households, in addition to distributing multi-language posters to agencies and facilities where low income clients could learn about the program.

In 1990, the Legislature made several other changes:

- The Legislature officially changed the title of the program to Washington Telephone Assistance Program. The previous title, Lifeline, was changed due to the word "Lifeline" existing as a registered trademark in the private sector.
- The term "surcharge" was replaced with the term "excise tax" in telephone company billings. The tax is applicable to all taxable switched access lines, including those assisted by WTAP.
- Eligibility for private line service was extended to households with medical needs and those containing persons 60 years of age or older.

With the earlier changes (i.e., the lower excise tax, expanded program eligibility adding additional clients, the lower client threshold, and outreach), the fund surplus was quickly eliminated as planned. To stabilize the fund, the excise tax was raised to 13 cents effective November 1, 1992.

Years 6 through 10

In 1993, the program was extended by the Legislature for an additional five years, until June 30, 1998.

On July 1, 1994, due to continued increases in participation and added program costs, the client threshold was increased by the WUTC from \$8.00 to \$9.25.

Effective January 1, 1998, the benefit amount available to the Lifeline and Link Up programs (called WTAP in Washington) was increased to \$5.25 per month (without a matching requirement) if state commissions would reduce the amount the client pays by \$1.75. In accordance with the Federal Communications Commission (FCC) revisions, the client threshold level was reduced from \$9.25 to \$7.50 on March 1, 1998.

Years 11 through 14

In 1998, the program was extended by the Legislature for an additional five years, until June 30, 2003.

With the increased federal Lifeline support, WTAP expenditures decreased further bolstering the fund balance. To maximize available federal benefits and to slow the fund balance increase, the client threshold was decreased from \$7.50 to \$4 effective July 1, 1999.

In April 2000, the program was clarified to add Medicare Cost-Sharing programs and the Family Planning Extension program as qualifying programs for WTAP. About 5,000 additional households were sent notices of eligibility.

In June 2001, the WTAP rule was amended allowing eligible households to use wireless telephone companies in any exchange area where wireline service was not available without a line extension.

During the 2002 Legislative session, the statute was amended to include former clients of community service voice mail as a population that may receive WTAP.

Program Participation

During the SFY 02 program year, DSHS issued 402,995 additional notices of potential eligibility for WTAP to households receiving qualifying assistance.

- A total of 118,610 households participated in the monthly rate discount, compared to 105,730 the previous year.

- The total unduplicated number of participating households, including those who received only the connection fee discount or waiver of deposit, was 119,238.

Appendix A shows potential eligibility and participation by qualifying assistance program. The highest percentage of participation was among SSI/COPEs (34%), TANF households (29%), Food Assistance recipients (29%) and Chore (24%). The lowest rates were among Medical Only (19%) and GAU/GAX recipients (19%). During this year, participation increased in the Food Assistance, TANF, Chore and SSI/COPEs programs, and decreased in GAU/GAX, Refugee Assistance and Medical Only programs.

Appendix B shows the potentially eligible number of households by county and assistance program. Appendix C shows WTAP participating/eligible households by county. Appendix D shows participation broken down by the following service codes.

- Service Code 100 represents payment of the waiver of deposit.
- Service Code 200 is the payment of the connection fee (50%).
- Service Code 300 is the payment of the monthly discount rate.

Business Participation

All telephone companies required by the WUTC to participate in WTAP may to be reimbursed for WTAP services. However, many telephone companies offer primarily business lines or have no WTAP customers. During SFY 02, 24 telephone companies invoiced DSHS for providing WTAP services for a total of \$5.91 million.

Telephone companies are asked to invoice the program fund on a monthly basis. Monthly accounting frequently requires readjustment due to late invoicing and account corrections by the industry. Billings submitted for service in a particular month is billed to the fund for that month. The telephone companies bill the Universal Service Administration Company (USAC) directly for the matching amount.

Remittances by telephone companies of excise tax (line surcharge) amounts are expected on a monthly basis. Excise tax revenues totaled \$5.49 million for SFY 02 (Appendix F) and were collected by 57 telephone companies.

Appendix F provides program data by company and service type. Data in the appendix shows that 70% of the funds expended for households participating in the monthly rate discount were paid to Qwest Communications, Inc. (now Qwest).

WTAP Fund Activity

Program costs for SFY 02 increased \$468,000 from the previous year (Appendix E). Expenditures for reduced monthly rates for local service more than doubled since the reduction in the client threshold, and connection discounts and forfeit of deposits have both increased.

Administrative costs were up 3.4% for the year. DSHS computer costs continue to be a significant operational expense. On the average, Information Systems Services Division (ISSD) chargeback costs and data processing account for 39% of DSHS administrative costs (down from 53% in the previous year).

- The WTAP Trust Fund Account balance for the end of the program year was \$6,092,970. This balance has been adjusted slightly to \$5,852,710.76 to account for SFY 02 expenditures and revenue processed between July 1 and September 30, 2002.
- Total operating costs exceeded the excise tax received by \$926,758.91.

Since June 1995, the fund balance has increased from \$0.8 million because of:

- A local service tariff reduction affecting 70% of WTAP participants.
- Increased excise tax collections resulting from population growth, a trend toward separate lines for individual family members, dedicated Internet connections, and fax machines.
- Substantial increases in federal support through the Life Line and Link Up programs (monthly support doubled from \$3.50 to \$7 per household, lowering WTAP costs).
- WTAP participation declines coinciding with drops in TANF and Food Assistance caseloads following the implementation of federal and state welfare reform.

With adjustments to the client threshold effective July 1, 1999 and declining tax revenues, total operating costs began exceeding program revenues in SFY 02. Higher program benefits, universal service changes, and continued program outreach are expected to continue reducing the fund balance in SFY 03. As the fund balance approaches an appropriate level, a client threshold adjustment may be necessary to maintain the stability of expenditures versus revenue.

Verification Calls & Program Termination

Verification Requests by Telephone Companies

DSHS provides a toll-free hotline through which telephone company service representatives can verify the eligibility of any WTAP applicant. DSHS WTAP representatives handled an average of 3,900 calls per month, or 47,000 calls for the report year.

WTAP continues its focus on providing better customer service. Using a toll free public information line, WTAP representatives handled an additional 12,000 client-related calls involving work with telephone representatives, staff, and clients to resolve customer and accounting problems - such as changes in client identification numbers, mismatched Social Security numbers, or incorrect billing names. WTAP and telephone companies actively collaborate to find ways to streamline the verification process.

Program Terminations

Once approved for WTAP, a household remains eligible for the program through the end of the state fiscal year in which they were approved. At the end of the year (June 30), WTAP households still receiving assistance under a qualifying assistance program are automatically re-certified for another year of WTAP services.

In SFY 02, DSHS notified 13,395 participants that their WTAP services were being terminated because they were no longer receiving assistance from a qualifying program. A total of 188 fair hearings were scheduled; 179 cases were determined not eligible or dismissed, 3 re-enrolled through an eligible program, and 6 are pending.

Program Challenges

The Washington Telephone Assistance Program continues to help some of this state's most needy citizens afford basic telephone service. While funding and continued program operations appear secure for Year 16 of program operation, WTAP faces several challenges as it enters the year, including:

- Program reauthorization by the Legislature to continue operation beyond June 30, 2002.
- Serving greater numbers of potentially eligible households.
- Declining numbers of switched access lines, resulting in decreased revenue.

- Changing program operations to meet FCC revised guidelines for universal services, which is expected to result in increased program participation and program costs.
- Meeting increased service costs stemming from new technology and federal deregulation.
- Streamlining and reducing program administrative costs.

Next Steps

For WTAP to remain effective in providing service to the needy citizens of this state, DSHS will continue to do program marketing and outreach, and seek new ways to increase program efficiency through technology and reduced administrative costs.

Program Outreach

Program participation increased 4% for SFY 00, 7% for SFY 01, and increased 12,000 cases or 11% for SFY 02 after declines of 16,000 and 8,000 cases in SFY 98 and SFY 99. Successful outreach efforts continue, including promotional mail-outs to local social services agencies; program simplification improving notices and application procedures; and special mailings to potential WTAP clients. A WTAP toll-free telephone number is included for clients to request additional information or help connecting with their local telephone company. New efforts will include outreach to those living on tribal lands, and working collaboratively with Qwest and other telephone companies to provide outreach to eligible clients.

Program Streamlining

DSHS will continue its effort to automate and improve program services. Mainframe computer chargeback costs which accounted for 53% of DSHS administrative costs in SFY 01 has decreased to 39% as a result of migrating the database to a PC-based system. The Department continues making every effort to increase program efficiency through technology.

Appendix A
Washington Telephone Assistance Program (WTAP)
Participating/Eligible Households by Assistance Program
SFY 02

Assistance Program	#Participating	#Eligible	%Participating
SSI/Copes	33,276	97,095	34.27%
TANF	11,421	38,986	29.30%
Food Assistance	39,2862	137,318	28.61%
Chore Services	32	132	24.24%
GAU/GAX	2,995	15,703	19.07%
Medical Only	32,067	168,966	18.98%
Refugee Assistance	161	970	16.50%
Total	119,238	459,170	25.97%

Numbers provided by the Barcode System.

Unduplicated counts, cases were assigned to categories by a specified priority. Counts are cumulative.
(Example: A TANF household may also receive Medicaid and food stamps, but is only counted once as TANF).

Appendix B
Washington Telephone Assistance Program
Eligible Households by County and Assistance Program
SFY 02

County	GAU/ GAX	TANF	Refugee	SSI/ COPEs	Medical	Food Stamps	Chore Services	Total
< Unknown >	0	2	0	318	8,347	8	132	8,807
Adams County	26	207	0	142	919	500	0	1,794
Asotin County	52	190	0	522	796	867	0	2,427
Benton County	222	973	31	1,036	3,047	3,158	0	8,467
Chelan County	258	507	1	1,205	2,691	2,250	0	6,912
Clallam County	360	451	0	1,484	1,877	1,865	0	6,037
Clark County	510	2,691	138	5,348	9,918	9,816	0	28,421
Columbia County	1	4	0	32	51	40	0	128
Cowlitz County	316	1,019	0	2,001	2,728	3,789	0	9,853
Douglas County	43	137	0	175	628	436	0	1,419
Ferry County	37	100	0	124	236	341	0	838
Franklin County	129	543	12	1,360	2,697	1,988	0	6,729
Garfield County	0	3	0	13	10	21	0	47
Grant County	197	759	2	1,507	2,991	2,338	0	7,794
Grays Harbor County	135	674	0	2,331	2,257	2,739	0	8,136
Island County	81	168	0	359	1,245	991	0	2,844
Jefferson County	83	130	0	236	604	633	0	1,686
King County	4,864	8,607	484	25,464	38,343	28,531	0	106,293
Kitsap County	585	1,076	1	3,523	5,259	3,833	0	14,277
Kittitas County	37	137	0	232	654	716	0	1,776
Klickitat County	87	157	0	315	537	705	0	1,801
Lewis County	173	651	5	1,838	2,265	2,442	0	7,374
Lincoln County	14	49	0	82	199	226	0	570

Appendix B
Washington Telephone Assistance Program
Eligible Households by County and Assistance Program
SFY 02

County	GAU/ GAX	TANF	Refugee	SSI/ COPEs	Medical	Food Stamps	Chore Services	Total
Mason County	144	473	0	659	1,393	1,437	0	4,106
Okanogan County	233	434	0	1,079	2,025	1,588	0	5,359
Pacific County	69	146	0	390	617	799	0	2,021
Pend Oreille County	52	146	0	265	341	524	0	1,328
Pierce County	1,965	5,808	66	13,022	18,981	15,504	0	55,346
San Juan County	15	14	0	56	123	134	0	342
Skagit County	404	743	5	2,012	4,037	3,081	0	10,282
Skamania County	33	75	0	99	190	268	0	665
Snohomish County	1,523	2,449	106	7,504	14,001	10,203	0	35,786
Spokane County	1,394	3,467	94	8,454	13,227	13,674	0	40,310
Stevens County	167	366	4	1,185	1,270	1,303	0	4,295
Thurston County	362	1,247	5	3,602	4,137	4,082	0	13,435
Wahkiakum County	0	0	0	4	2	0	0	6
Walla Walla County	77	359	1	1,014	1,778	1,577	0	4,806
Whatcom County	477	872	15	2,743	4,810	5,090	0	14,007
Whitman County	49	136	0	153	641	631	0	1,610
Yakima County	528	3,016	0	5,206	13,093	9,190	0	31,033
Total	15,703	38,986	970	97,095	168,966	137,318	132	459,170

Appendix C
Washington Telephone Assistance Program
Eligible/Participating Households by County Report
SFY 02

County Name	#Participating	#Eligible	%Participating
Unknown	1,210	8,807	13.74%
Adams County	431	1,794	24.02%
Asotin County	752	2,427	30.98%
Benton County	2,393	8,467	28.26%
Chelan County	1,547	6,912	22.38%
Clallam County	1,954	6,037	32.37%
Clark County	6,592	28,421	23.19%
Columbia County	44	128	34.38%
Cowlitz County	2,856	9,853	28.99%
Douglas County	362	1,419	25.51%
Ferry County	265	838	31.62%
Franklin County	1,631	6,729	24.24%
Garfield County	17	47	36.17%
Grant County	2,095	7,794	26.88%
Grays Harbor County	2,347	8,136	28.85%
Island County	693	2,844	24.37%
Jefferson County	490	1,686	29.06%
King County	28,827	106,293	27.12%
Kitsap County	4,005	14,277	28.05%
Kittitas County	585	1,776	32.94%
Klickitat County	249	1,801	13.83%
Lewis County	2,043	7,374	27.71%
Lincoln County	179	570	31.40%
Mason County	954	4,106	23.23%
Okanogan County	1,427	5,359	26.63%
Pacific County	715	2,021	35.38%
Pend Oreille County	335	1,328	25.23%
Pierce County	13,273	55,347	23.98%
San Juan County	121	342	35.38%
Skagit County	2,404	10,282	23.38%
Skamania County	125	665	18.80%
Snohomish County	9,476	35,786	26.48%
Spokane County	12,044	40,310	29.88%
Stevens County	1,348	4,295	31.39%
Thurston County	3,961	13,435	29.48%
Wahkiakum County	1	6	16.67%
Walla Walla County	1,320	4,806	27.47%
Whatcom County	3,766	14,007	26.89%
Whitman County	419	1,610	26.02%
Yakima County	5,983	31,033	19.28%
Total	119,238	459,170	25.97%

Appendix D
Washington Telephone Assistance Program
Participating Households by County, Program and Service Code
SFY 02

County	GAU/ GAX	TANF	Refugee	SSI/ COPES	Medical	Food Stamps	Chore	Total
< <i>Unknown</i> ¹ >								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	0	0	0	11	150	0	0	161
Service Code 300	0	0	0	43	1,119	2	31	1,195
<i>Adams County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	0	11	0	2	39	24	0	76
Service Code 300	2	43	0	33	204	144	0	426
<i>Asotin County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	1	13	0	21	23	40	0	98
Service Code 300	13	74	0	173	181	310	0	751
<i>Benton County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	12	123	6	73	214	271	0	699
Service Code 300	40	293	8	357	741	926	0	2,365
<i>Chelan County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	29	64	0	102	135	188	0	518
Service Code 300	61	115	0	384	423	546	0	1,529
<i>Clallam County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	24	38	0	79	67	109	0	317
Service Code 300	85	155	0	595	462	647	0	1,944
<i>Clark County</i>								
Service Code 100	0	0	0	0	3	0	0	3
Service Code 200	20	109	8	303	276	334	0	1,050
Service Code 300	84	623	23	1,764	1,656	2,419	0	6,569
<i>Columbia County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	0	0	0	2	3	0	0	5
Service Code 300	0	0	0	13	13	18	0	44

Appendix D
Washington Telephone Assistance Program
Participating Households by County, Program and Service Code
SFY 02

County	GAU/ GAX	TANF	Refugee	SSI/ COPES	Medical	Food Stamps	Chore	Total
<i>Cowlitz County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	17	62	0	96	79	159	0	413
Service Code 300	77	322	0	741	641	1,065	0	2,846
<i>Douglas County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	2	19	0	11	39	43	0	114
Service Code 300	4	48	0	60	115	134	0	361
<i>Ferry County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	3	11	0	9	19	47	0	89
Service Code 300	6	32	0	49	58	114	0	259
<i>Franklin County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	8	22	2	88	76	76	0	272
Service Code 300	22	125	2	459	497	517	0	1,622
<i>Garfield County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	0	0	0	0	0	0	0	0
Service Code 300	0	1	0	3	0	13	0	17
<i>Grant County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	10	45	0	77	110	123	0	365
Service Code 300	44	236	0	510	596	698	0	2,084
<i>Grays Harbor County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	11	52	0	135	74	152	0	424
Service Code 300	35	215	0	826	456	804	0	2,336
<i>Island County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	7	18	0	19	50	64	0	158
Service Code 300	17	46	0	103	225	297	0	688

Appendix D
Washington Telephone Assistance Program
Participating Households by County, Program and Service Code
SFY 02

County	GAU/ GAX	TANF	Refugee	SSI/ COPEs	Medical	Food Stamps	Chore	Total
<i>Jefferson County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	4	7	0	11	17	27	0	66
Service Code 300	16	34	0	103	161	174	0	488
<i>King County</i>								
Service Code 100	0	1	0	1	1	1	0	4
Service Code 200	200	420	23	1,070	958	1,111	0	3,782
Service Code 300	904	2,856	61	9,153	7,454	8,296	0	28,724
<i>Kitsap County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	32	44	0	154	129	153	0	512
Service Code 300	138	316	0	1,257	989	1,290	0	3,990
<i>Kittitas County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	3	28	0	22	53	93	0	199
Service Code 300	10	50	0	102	172	243	0	577
<i>Klickitat County</i>								
Service Code 100	0	0	0	0	1	0	0	1
Service Code 200	1	5	0	2	12	8	0	28
Service Code 300	6	15	0	61	71	92	0	245
<i>Lewis County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	11	39	0	89	71	126	0	336
Service Code 300	36	188	0	618	478	714	0	2,034
<i>Lincoln County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	1	6	0	4	10	23	0	44
Service Code 300	4	17	0	28	42	87	0	178
<i>Mason County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	3	12	0	23	35	47	0	120
Service Code 300	28	89	0	188	289	356	0	950

Appendix D
Washington Telephone Assistance Program
Participating Households by County, Program and Service Code
SFY 02

County	GAU/ GAX	TANF	Refugee	SSI/ COPES	Medical	Food Stamps	Chore	Total
<i>Okanogan County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	20	25	0	61	64	92	0	262
Service Code 300	59	140	0	367	393	458	0	1,417
<i>Pacific County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	8	27	0	29	44	80	0	188
Service Code 300	16	56	0	163	176	295	0	706
<i>Pend Oreille County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	5	14	0	17	14	47	0	97
Service Code 300	12	35	0	78	72	136	0	333
<i>Pierce County</i>								
Service Code 100	0	1	0	0	3	3	0	7
Service Code 200	53	222	9	431	392	555	0	1,662
Service Code 300	324	1,502	16	4,017	3,242	4,123	0	13,224
<i>San Juan County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	1	0	0	4	8	10	0	23
Service Code 300	4	6	0	25	30	56	0	121
<i>Skagit County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	20	65	1	124	212	260	0	682
Service Code 300	48	173	1	682	668	811	0	2,383
<i>Skamania County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	1	7	0	2	7	7	0	24
Service Code 300	5	18	0	31	24	45	0	123
<i>Snohomish County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	113	365	14	489	790	935	0	2,706
Service Code 300	257	800	18	2,435	2,768	3,124	0	9,402

Appendix D
Washington Telephone Assistance Program
Participating Households by County, Program and Service Code
SFY 02

County	GAU/ GAX	TANF	Refugee	SSI/ COPES	Medical	Food Stamps	Chore	Total
<i>Spokane County</i>								
Service Code 100	0	0	0	0	1	0	0	1
Service Code 200	80	220	17	424	417	698	0	1,856
Service Code 300	318	1,185	24	3,084	2,919	4,481	0	12,011
<i>Stevens County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	12	29	0	53	27	73	0	194
Service Code 300	39	122	0	444	282	457	0	1,344
<i>Thurston County</i>								
Service Code 100	1	10	0	4	10	11	0	36
Service Code 200	16	73	0	160	135	172	0	556
Service Code 300	67	415	1	1,250	909	1,305	0	3,947
<i>Wahkiakum County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	0	0	0	1	0	0	0	1
Service Code 300	0	0	0	1	0	0	0	1
<i>Walla Walla County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	2	16	0	49	31	59	0	157
Service Code 300	13	103	0	342	356	503	0	1,317
<i>Whatcom County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	32	71	1	190	186	268	0	748
Service Code 300	95	244	4	1,044	1,065	1,298	0	3,750
<i>Whitman County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	1	14	0	9	33	60	0	117
Service Code 300	9	40	0	39	124	201	0	413
<i>Yakima County</i>								
Service Code 100	0	0	0	0	0	0	0	0
Service Code 200	17	125	0	167	291	315	0	915
Service Code 300	79	583	0	1,523	1,763	1,948	0	5,896

Appendix D
Washington Telephone Assistance Program
Participating Households by County, Program and Service Code
SFY 02

County	GAU/ GAX	TANF	Refugee	SSI/ COPES	Medical	Food Stamps	Chore	Total
<i>State Totals</i>								
Service Code 100	1	12	0	5	19	15	0	52
Service Code 200	780	2,421	81	4,613	5,290	6,849	0	20,034
Service Code 300	2,977	11,315	158	33,148	31,834	39,147	31	118,610

¹ No county on record.

Appendix E
Washington Telephone Assistance Program
Fiscal Summary
July 1, 1998 to June 30, 2002

<i>WTAP FUND ACTIVITY</i>	YEAR 11 FY 98	YEAR 12 FY 99	YEAR 13 FY 00	YEAR 14 FY 01	YEAR 15 FY 02
Forfeit of Deposit	\$ 18.50	\$ -	\$ 120.00	\$ 16.00	\$ 736.00
Connection Fee	\$ 387,192.18	\$ 284,812.13	\$ 266,647.40	\$ 277,335.22	\$ 352,638.84
Change of Service	\$ 64.00	\$ -	\$ -	\$ -	\$ -
Monthly Rate Discount	\$ 2,546,993.07	\$ 2,143,010.97	\$ 4,438,707.75	\$ 5,088,919.22	\$ 5,445,338.84
Telephone Co. Admin. Costs	\$ 100,013.18	\$ 90,434.60	\$ 106,234.81	\$ 96,071.84	\$ 114,915.98
Total Telephone Company Cost	\$ 3,034,280.93	\$ 2,518,257.76	\$ 4,811,709.96	\$ 5,462,342.28	\$ 5,913,629.66
DSHS Administrative Costs	\$ 459,239.27	\$ 449,501.05	\$ 470,623.00	\$ 489,210.16	\$ 506,445.87
Total Operating Costs	\$ 3,493,520.20	\$ 2,967,758.81	\$ 5,282,332.96	\$ 5,951,552.44	\$ 6,420,075.53
Excise Tax Received	\$ 5,384,420.67	\$ 5,483,963.35	\$ 5,777,978.64	\$ 5,762,305.76	\$ 5,493,316.62
Increase/(Decrease) Fund Balance	\$ 1,890,900.47	\$ 2,516,204.54	\$ 495,645.68	\$ (189,246.68)	\$ (926,758.91)

Appendix F
Washington Telephone Assistance Program
Revenue and Disbursements by Company
SFY02 for the period ending September 2002

Vendor	Acct #	Forfeit Deposit	Connect Discount	Change of Service	Monthly Discounts	Admin. Cost	Total SFY02	Excise Tax Received
Advance Telcom Group, Inc	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,455.00
Affinity Network, Inc. - Revenue only	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 274.30
Allegiance Telecom of Washington, Inc	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,065.48
Asotin Telephone Company	00100	\$ -	\$ 186.00	\$ -	\$ 4,909.60	\$ 469.56	\$ 5,565.16	\$ 2,132.63
ATT Communications of Pacific NW	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,585.09
ATT Broadband Phone of Washington, LLC	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,111.00
Avista Communications, Inc	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,370.51
Comm South Companies, Inc	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 298.00
Computer 5 Inc	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,798.86
Cowiche (Century Tel)	00300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,695.62
Electric Lightwave, Inc.	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,726.28
Ellensburg Telephone Company	00400	\$ -	\$ 3,115.00	\$ -	\$ 7,765.06	\$ 3,953.71	\$ 14,833.77	\$ 41,620.77
Ernest Communication, Inc	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,007.81
Fairpoint Communication	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,849.00
Focal Communication	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,636.67
Hat Island	00600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160.81

Appendix F
Washington Telephone Assistance Program
Revenue and Disbursements by Company
SFY02 for the period ending September 2002

Vendor	Acct #	Forfeit Deposit	Connect Discount	Change of Service	Monthly Discounts	Admin. Cost	Total SFY02	Excise Tax Received
HighSpeed Communication of WA, LLC	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 313.17
Hood Canal Telephone Company, Inc	00700	\$ -	\$ 20.00	\$ -	\$ 1,180.19	\$ 447.24	\$ 1,647.43	\$ 1,759.88
Inland Telephone Company	00800	\$ -	\$ 125.00	\$ -	\$ 4,137.92	\$ -	\$ 4,262.92	\$ 3,913.57
Integra Telecom, Inc	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,291.00
Qualm Telephone Company	01000	\$ -	\$ 36.00	\$ -	\$ 2,546.50	\$ 744.00	\$ 3,326.50	\$ 4,591.32
Lewis River (TDS Telecom)	01100	\$ -	\$ -	\$ -	\$ 18,985.00	\$ -	\$ 18,985.00	\$ 9,137.35
Local Access Communications	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12.61
Mashed Telecom, Inc.	01200	\$ -	\$ 160.00	\$ -	\$ 5,784.28	\$ 697.50	\$ 6,641.78	\$ 5,816.82
McDaniel Telephone Company	01300	\$ -	\$ 156.00	\$ -	\$ 12,609.94	\$ 104.00	\$ 12,869.94	\$ 6,470.93
MCI - Metro Access	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,232.60
Transmission Seer Corp	02900	\$ -	\$ 735.00	\$ -	\$ 1,192.56	\$ -	\$ 1,927.56	\$ 146.38
M & L Enterprises (Skyline Telephone Co)	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,419.00
New Access Communications	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 986.18
NOS Communications, Inc. - Revenue only	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 266,889.90
Pacific Telephone, Inc. (Century)	01400	\$ -	\$ 21,136.51	\$ -	\$ 400,961.90	\$ -	\$ 422,098.41	\$ 3,678.61
Penned Oriel Telephone Company	02800	\$ -	\$ 647.00	\$ -	\$ 8,475.00	\$ 357.00	\$ 9,479.00	\$ 1,126.86
Pioneer Telephone Company	01500	\$ -	\$ -	\$ -	\$ -	\$ 107.60	\$ 107.60	\$ 86.87
Preferred Carrier Services	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 86.87
Qwest Communications	02400	\$ -	\$170,174.50	\$ -	\$3,800,399.94	\$ 94,572.21	\$4,065,146.65	\$3,352,730.00

Appendix F
Washington Telephone Assistance Program
Revenue and Disbursements by Company
SFY02 for the period ending September 2002

Vendor	Acct #	Forfeit Deposit	Connect Discount	Change of Service	Monthly Discounts	Admin. Cost	Total SFY02	Excise Tax Received
Rainier Cable	02700	\$ -	\$ -	\$ -	\$ 30.00	\$ 300.00	\$ 330.00	\$ 1,302.40
SBC Telecom, Inc	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,700.19
Shared Communications, Inc	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,892.00
Sprint Northwest/United	02000	\$ -	\$ 3,212.50	\$ -	\$ 103,172.99	\$ 4,422.80	\$ 110,808.29	\$ 102,521.77
St. John Telephone Company	01600	\$ -	\$ -	\$ -	\$ 242.50	\$ 120.00	\$ 362.50	\$ 988.21
Technologies Management, Inc	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 646.10
Telephone Communication Group	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,748.75
Telephone Communication Group, Oregon	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 535.00
Telephone Restoration Network, Inc	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95.68
Telnet	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 564.00
Tel West Communication, LLC	03000	\$ -	\$ 1,950.00	\$ -	\$ 13,600.00	\$ 2,887.50	\$ 18,437.50	\$ -
Tendon	<i>Revenue only</i>	\$ -	\$ 132.50	\$ -	\$ 3,757.50	\$ 664.32	\$ 4,554.32	\$ 5,385.74
Time Warner Telecom of Washington, LLC	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,667.04
Toledo Telephone Company	01900	\$ -	\$ 212.50	\$ -	\$ 2,130.51	\$ 1,151.41	\$ 3,494.42	\$ 3,645.29
United Communications, Inc.	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24.18
Universal Access, Inc	<i>Revenue only</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11.70
Verizon Contel	00200	\$ -	\$ 22,516.83	\$ -	\$ 158,094.13	\$ 670.56	\$ 181,281.52	\$ 130,071.48
Verizon Northwest	00500	\$ -	\$126,544.00	\$ -	\$ 852,280.97	\$ 670.56	\$ 979,495.53	\$1,164,391.11
Wahkiakum West Telephone	02100	\$ -	\$ 72.00	\$ -	\$ 1,867.56	\$ 306.02	\$ 2,245.58	\$ 1,854.06

Appendix F
Washington Telephone Assistance Program
Revenue and Disbursements by Company
SFY02 for the period ending September 2002

Vendor	Acct #	Forfeit Deposit	Connect Discount	Change of Service	Monthly Discounts	Admin. Cost	Total SFY02	Excise Tax Received
Whidbey Telephone Company	02200	\$ -	\$ 67.50	\$ -	\$ 1,197.20	\$ 67.50	\$ 1,332.20	\$ 22,616.19
Winstar Wireless, Inc	Revenue only	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,058.29
XO Washington, Inc	Revenue only	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,288.64
Ycom Telephone Company	02300	\$ 736.00	\$ 1,440.00	\$ -	\$ 40,017.59	\$ 2,202.49	\$ 44,396.08	\$ 20,084.92
Z-Tel Communications, Inc	Revenue only	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,833.00
Total >		\$ 736.00	\$ 352,638.84	\$ -	\$ 5,445,338.84	\$ 114,915.98	\$ 5,913,629.66	\$ 5,493,316.62

* June FRS report includes a credit of \$1,698.18 for a warrant cancellation/phone company unknown (JV0002753). The credit is not included in the WTAP SFY02 Telephone Company reports.